

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NORTH DAKOTA

In re: ) Bky. Case No.: 24-30287  
 ) Chapter 7  
Marcus Wayne Hanson, )  
Kathryn Brooke Hanson, )  
 ) **OBJECTION TO DEBTORS'**  
Debtors. ) **CLAIM OF EXEMPTIONS**  
 ) **(WITH NOTICE)**  
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Gene W. Doeing, attorney representing the bankruptcy trustee in this case, objects to the debtors' claim of exemptions.

The debtors filed a Chapter 7 bankruptcy petition on July 8, 2024, the creditors meeting was held on August 16, 2024, and has been continued to September 5, 2024, pending receipt of additional documentation and financial records.

The debtors list a homestead valued at \$479,000, subject to a mortgage owed to Border Bank in the amount of \$74,356. The debtors claim the homestead as exempt using the Minnesota homestead exemption, Minn. Stat. §§ 510.01, 510.02, claiming 100% of the fair market value of the house, up to any applicable statutory limit. The debtors moved to North Dakota from Minnesota and purchased this property on or about December 2023. The debtors' homestead exemption is limited by 11 U.S.C. § 522(p)(1) to \$189,050 because the debtors acquired this property during the 1215-day period preceding the date of the filing of their bankruptcy petition. Thus the trustee objects to the debtors' claim of exemption under Minn. Stat. §§ 510.01, 510.02 for anything over the § 522(p)(1) limit of \$189,050.

The debtors scheduled cash of \$2,000, a Bell Bank checking account with \$10.24, and three Border Bank checking accounts, one with a value of \$1,307.04, one unknown value, and the third account having a scheduled balance of \$525.48. The debtors seek to exempt the cash and bank balances under Minn. Stat. § 550.37 subd. 13 claiming an exemption of 100% of fair market value, up to any applicable statutory limit. Subdivision 13 of § 550.37 is the exemption for earnings, and

the statute does not provide for a 100% exemption of earnings, thus the trustee objects to the exemption claims in these assets.

Trustee further objects as the debtors have not provided any documentation supporting their claim that the bank balances are actually earnings which could be exempted under Minnesota § 550.37 subd. 13. Since the trustee is unable to confirm that the cash and funds deposited in the Bell Bank account or the three Border Bank accounts are earnings deposited within 20 days prior to the date of the bankruptcy filing, he objects to these exemption claims.

THEREFORE, the bankruptcy trustee respectfully requests that the trustee's objection to the debtors' exemption claim in their homestead is sustained and the exemption limited to \$189,050, as set forth under 11 U.S.C. § 522(p)(1). Trustee also requests that his objection to the debtors' exemption claims under subd. 13 in the cash, Bell Bank account, and three Border Bank accounts be sustained and that the exemption claims under Minn. Stat. § 550.37 subd. 13 in the cash and bank account balances be disallowed.

**NOTICE OF MOTION:** Your rights may be affected in the action. You should read the papers carefully and discuss the matters with your attorney if you have one. If you want the court to consider your views you should mail a written response to the action, within 14 days of the date of mailing of this document, and file the response with the Clerk of Bankruptcy Court and a copy served upon the U.S. Trustee and Bankruptcy Trustee. If you do not take this step the court may assume that you do not oppose the action and the court may enter an Order approving the request made in these legal documents.

Clerk, U.S. Bankruptcy Court  
Quentin N. Burdick U.S. Courthouse  
655 First Ave. N. – Suite 210  
Fargo, ND 58107-4932

United States Trustee  
300 S. 4th Street  
Suite 1015  
Minneapolis, MN 55415

Trustee  
(See  
address  
below)

DATED: August 20, 2024

/s/ Gene W. Doeling  
Gene W. Doeling (05078)  
KALER DOELING PLLP  
Attorney for Trustee  
PO Box 9231  
Fargo, ND 58106-9231  
(701) 232-8757

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DISTRICT OF NORTH DAKOTA**

In re:	)	Bky. Case No.: 24-30287
	)	Chapter 7
Marcus Wayne Hanson,	)	
Kathryn Brooke Hanson,	)	<b>CERTIFICATE OF SERVICE</b>
	)	
Debtors.	)	
	)	

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Gene W. Doeing of Fargo, ND, swears that on August 20, 2024, he mailed in first class postage-paid envelopes and deposited same in the post office at Fargo, ND, or served electronically at the given e-mail address a copy of the following:

**OBJECTION TO DEBTORS' CLAIM OF EXEMPTIONS (WITH NOTICE)**

to the parties listed below:

Marcus & Kathryn Hanson  
10160 Concord Drive  
West Fargo, ND 58078

Maurice VerStandig, on behalf of the debtors, mac@dakotabankruptcy.com

U.S. Trustee, USTPRegion12.SX. ECF@usdoj.gov

/s/ Gene W. Doeing